

Cardroom Ordinance

CITY COUNCIL | OCTOBER 3, 2023

Cardrooms in El Centro - Background

- ▶ Chapter 4, Article III (e.g. Cardroom Ordinance) regulates the operation and approval of up to one cardroom in the city of El Centro
- ▶ Last updated in 1999, in response to the Gambling Control Act
- ▶ Tommy's Casino & Saloon was the only licensed cardroom in El Centro and closed in 2018
- ▶ City cardroom license has expired, but the owner maintains an active State license



Tommy's Casino & Saloon – 467 W. Main Street

Casino Azul, LLC

- ▶ Casino Azul, LLC is considering purchasing the Tommy's Casino & Salon business and relocating it to another location in the El Centro
- ▶ Casino Azul, LLC would apply for a new city cardroom license.
- ▶ Public Safety Committee met on June 21, 2023 to discuss the topic and the scope of changes to cardroom ordinance.
- ▶ Casino Azul, LLC submitted a request to amend the zoning ordinance to allow cardrooms in the CG-Zone on August 17, 2023.

Scope of Potential Changes:

- Wagering Limits
- Maximum number of card tables
- Serving of alcohol in cardroom
- Zoning requirements
- City license Fees

Cardroom Ordinance

Topic	Existing Ordinance	Proposed Changes
Serving of Alcoholic Beverages	Prohibits possession of alcohol in the cardroom	Allow alcohol with valid State ABC License
Wagering Limits	Max wager of \$249 per hand	Remove or increase wagering limit
Number of card tables permitted	Up to three	Increase up to five tables
Zoning	No zoning designation or process	Allow in CG-General Commercial Zone with a CUP

City Cardroom License Fees

- ▶ The existing city cardroom license fee is \$150 per month for three tables (\$1,800 a year). Options for City Council to consider:
 - ▶ Not make any changes to the fee structure; or
 - ▶ Increase the fee per table amount; or
 - ▶ Implement a fee that is a percentage of gross revenues.

City Cardroom License Fees

Jurisdiction	Fee Structure
<i>City of Blythe</i>	\$25 per establishment per year
<i>City of Chico</i>	\$1,855 for the first table and \$371 for each additional table per year
<i>City of Chula Vista</i>	\$6,000 per table per year
<i>City of Grover Beach</i>	\$525 per table per year
<i>City of El Centro</i>	\$1,800 for three tables per year
<i>City of Haywood</i>	\$400 for the first table and \$200 for each additional table per year
<i>City of Lake Elsinore</i>	Graduated percentage of gross revenues from 3% to 5%
<i>City of Marina</i>	Graduated percentage of gross revenues from 5% to 13%
<i>City of Oceanside</i>	6% of gross revenues
<i>City of Redding</i>	\$400 per table per year
<i>City of Salinas</i>	\$6,558 per year per establishment
<i>City of Stockton</i>	\$278 per year for license, \$278 for owner's permit, \$278 for Key Manager permit, and \$122 for Dealer permit
<i>County of Butte</i>	\$500 for the first table and \$100 for each additional table per year

Next steps

- ▶ **October 3, 2023** – Planning Commission Public Hearing regarding zoning requirements
- ▶ **October 16 to November 7, 2023** - Public Draft of Changes to Cardroom Ordinance
- ▶ **November 7, 2023** City Council Public Hearing regarding:
 - ▶ Zoning Ordinance Text Amendment
 - ▶ Changes to Cardroom Ordinance (if any)

Request

- ▶ Staff is requesting council provide direction regarding any proposed changes to the cardroom ordinance